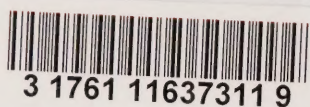


RESEARCH HIGHLIGHT



FEB 08 2006

Socio-economic Series 05-034

AN EXPLORATION OF HOUSING OPTIONS FOR ABORIGINAL PEOPLE IN EDMONTON, ALBERTA AND WINNIPEG, MANITOBA

INTRODUCTION

This study examined the housing situation and issues of Aboriginal people in Edmonton, Alberta and Winnipeg, Manitoba, and homeownership programs that target Aboriginal participants.

RESEARCH METHODOLOGY

The research summarized relevant literature and examined available statistical data. Twenty key informant interviews were conducted with representatives of organizations that provide housing and other related services to Aboriginal people in Edmonton and Winnipeg. Those who participated in the interviews were individuals who had experience working directly with, and providing a variety of services to, Aboriginal people in one of the cities of interest, and/or were professionals with in-depth knowledge and expertise on urban Aboriginal housing issues. Twelve interviews were conducted in Edmonton, while the remaining eight were conducted in Winnipeg.

Following completion of the interviews, a household survey was conducted with 60 Aboriginal households in Edmonton and 62 in Winnipeg. All survey respondents were over 18 years of age, of self-reported Aboriginal ancestry and resided in the city at the time of the survey.

In Edmonton, 32 surveys were completed in-person and 28 by telephone. Those who were telephoned were identified via random dialing¹ and snowball sampling²; the snowball sample was developed from a list of homeowners provided by a local contact who conducted homeownership workshops, and a list of members of the Canadian Native Friendship Centre. The in-person interviews were conducted through public approach³ and group questionnaire administration⁴.

In Winnipeg, the surveys were all conducted in-person. The respondents were identified first by accessing a list of households provided by the Aiyawin Housing Corporation and the Winnipeg Native Friendship Centre. A snow ball sample technique was applied to develop further referrals and contact names.

The review of the literature and key informant interviews were utilized to identify "Homeownership Initiatives" that could be potential case studies. The research encountered difficulty in identifying Homeownership Initiatives that were oriented specifically towards Aboriginal households in Edmonton and Winnipeg, so the selection criteria was broadened to include homeownership initiatives for all low-to moderate-income households in Edmonton and Winnipeg. The list of potential case studies included a mixture of education programs, rent-to-own home ownership programs, and subsidized housing agencies for Aboriginal renters.

¹ Random dialing involves accessing phone numbers from a telephone directory. If a respondent on the telephone self-identified as Aboriginal and was over the age of 18, he/she was asked to complete the survey. This technique is useful in obtaining data from a random assortment of households with telephones, but does exclude those who do not have a telephone.

² Snowball sampling consists of identifying a few initial respondents, then utilizing the social networks of those respondents to identify further respondents. Snowball sampling has both advantages and disadvantages in that it tends to produce samples that are not truly random and may share characteristics. The advantage of snowball sampling is that it can offer researchers access to difficult to reach populations.

³ Public approach refers to the practice of approaching people in public places. For this survey, two events were used to access respondents: an outdoor summer festival held in downtown Edmonton, and a Pow Wow.

⁴ Group questionnaire administration was conducted by advertising for respondents in the local newspaper. If the respondent qualified, he/she was invited to attend a group session where the survey was explained and then conducted. Researchers were in attendance to answer questions and assist respondents in completing the survey.

Final selection of case studies was based on the willingness of the agency to participate and the relevance of the initiative to the research. Seven case studies were completed: three in Edmonton and four in Winnipeg. In Edmonton these included: the HOME Program, the Central Edmonton Community Land Trust and the Aboriginal Homeownership Workshops. In Winnipeg these included: the Spence Neighbourhood Association, the North End Housing Project, the Winnipeg Housing Rehabilitation Corporation and Payuk Inter-Tribal Housing Cooperative.

FINDINGS

A. Housing Needs and Issues of Aboriginal People in Edmonton and Winnipeg

The research identified a number of prevalent issues that urban Aboriginal people face when accessing housing.

1. The Aboriginal communities in Edmonton and Winnipeg are younger, have lower incomes, experience higher poverty rates, and have less education than the general municipal populations.

The largest concentrations of urban Aboriginal people in Canada live in Edmonton and Winnipeg. More than half of the Aboriginal households in Edmonton and Winnipeg have incomes below Statistics Canada's low-income cut off points (LICO), and more Aboriginal households in these cities live in poverty compared to the national average. As well, the average annual individual income for Aboriginal people in Edmonton and Winnipeg is noticeably less than the average income for non-Aboriginal individuals. The largest age grouping of Aboriginal people in both cities is the 0 to 14 year old age group, followed by the 24 to 44 year old range.

Many lack educational credentials such as a high school diploma, have few occupationally focused skills, and do not have a strong employment history. These factors make it difficult for many Aboriginal workers to secure sustainable, meaningful employment. As a result, many accept low paying employment or rely on provincial income support. In both Edmonton and Winnipeg, key informants and household survey respondents reported that the income gained from either of these sources is felt to be insufficient to meet basic needs, increasing the demand for subsidized housing units.

Household survey respondents indicated that the insecure, low paying employment held by many Aboriginal people creates barriers to housing. Most key informants in Edmonton noted that the minimum wage in Alberta (\$5.90 per hour) and the low wages paid to unskilled and semi-skilled workers in Alberta are insufficient to allow an individual to earn enough to pay market rental rates for acceptable housing. Some of the key informants in Winnipeg made similar comments regarding the Manitoba minimum wage (\$7.00 per hour) and poverty in relation to housing.

Informants identified a need to increase education and training opportunities for Aboriginal communities in both rural and urban areas in order to allow Aboriginal workers to develop the skills required to gain meaningful employment and earn a stable income.

2. There Are Insufficient Housing Options in Edmonton and Winnipeg for Aboriginal Families with Fixed and Low Incomes.

There are long waiting lists for subsidized housing units with Aboriginal housing organizations, as well as municipal housing corporations. While there are ample rental properties available in both Edmonton and Winnipeg, market rents for apartments and single family homes tend to be beyond the reach of most low income individuals and families. The lack of subsidized housing and affordable rental properties has put many low income families and individuals at greater risk for homelessness.

The Edmonton Capital Region Housing Corporation has 4,500 occupied single family units and a waiting list of approximately 1,800 families. Amisk Housing Corporation has 96 fully occupied houses and duplexes, with a waiting list of 1,600 families, while the Métis Urban Housing Corporation has 416 occupied units and a waiting list of 621 families. According to representatives of subsidized housing agencies, the average wait for a subsidized housing unit is approximately three years.

A lack of affordable rental housing was also clearly articulated as an issue by household survey respondents. In Edmonton, 67 per cent of the household survey respondents reported that there is not enough affordable housing available in the private rental market, while 58 per cent in Winnipeg noted this as a substantial issue. Likewise, 42 per cent in Edmonton and 45 per cent in Winnipeg stated that there is not enough subsidized housing available. The majority of respondents in Edmonton and Winnipeg also noted that the average costs of rent or mortgage payments were too high for them to sustain.

3. There Are Insufficient Housing Units to Accommodate Large Families, Resulting in Overcrowding.

In both Edmonton and Winnipeg, the majority of rental apartments have less than two bedrooms. There are relatively few subsidized housing units and market rental apartments with three or more bedrooms. Vacancy rates for units with three or more bedrooms are lower than vacancy rates for smaller units. Many Aboriginal people have large nuclear families, and live with extended family and friends. There is a high demand for larger rental units with three or more bedrooms and this exceeds the supply, leading to overcrowding.

Subsidized housing agencies have guidelines that limit the number of people per unit according to the National Occupancy Standards. According to key informants in both Edmonton and Winnipeg, many families are refused subsidized housing units because their family size/composition exceeds the number of bedrooms available in the units. As well, some families have been evicted from subsidized housing units because of extra, unapproved family members and friends moving in and creating overcrowded conditions.

4. Discrimination Affects Aboriginal People when Accessing Housing, Regardless of Housing Need or Income Level.

The literature reviewed, key informants and household survey respondents all reported that discrimination affects the housing options available to Aboriginal households. The types of discrimination included income and employment based discrimination and discrimination based on race, age, gender, family size, and cultural practices (see Figure 1).

According to key informants, Aboriginal households felt discriminated against in the housing market by banks and other financial institutions such as mortgage brokers, insurance companies and realtors; however, the review of the literature found that there is little empirical research investigating alleged discrimination by these agents and institutions.

Many household survey respondents noted that various types of discrimination created barriers to accessing housing. In Edmonton, subsidized housing renters more frequently reported experiencing discrimination from landlords, financial institutions and neighborhood residents than did market renters and homeowners. In Winnipeg, more homeowners than tenants noted discrimination as a barrier to accessing housing.

Some of the Aboriginal housing agencies in Edmonton that provide rent-geared-to-income housing noted that they encountered local community resistance when attempting to purchase property. Community members insisted that the agency hold a community information meeting, construct fences around the property, or closely monitor the tenants.

5. Many Aboriginal People Lack an Established Relationship with a Financial Institution and Credible References for Landlords.

According to key informant interviews and household survey respondents, some Aboriginal people do not maintain bank accounts because of real or perceived incidents of discrimination. It was also noted that many Aboriginal people have difficulty securing rental housing because they do not have current, credible references. This is especially true for individuals and families who have recently moved from a rural First Nations community into the city and do not have an established history of banking or renting.

6. The Most Vulnerable Populations Live in Unstable Housing Conditions.

Marginalized sub-populations within the Aboriginal community tend to be at the greatest risk for homelessness. Those individuals affected by chronic unemployment or under-employment, substance abuse problems, chronic health issues and family instability face difficulties securing and maintaining suitable housing.

According to key informants there is an unmet demand for supportive housing options. There are growing numbers of Aboriginal families and individuals who require services that combine safe, appropriate housing along with employment skills training, counseling, family support, and health care services. As well, special needs populations, such as children from families in conflict with the law, require housing options that are not currently available.

Type of Discrimination	Result: Barrier to Rental Faced By
<ul style="list-style-type: none"> Income discrimination 	<ul style="list-style-type: none"> recipients of provincial income support, band funding or employment insurance persons who do not have a bank account
<ul style="list-style-type: none"> Employment discrimination 	<ul style="list-style-type: none"> unemployed or underemployed persons
<ul style="list-style-type: none"> Family discrimination 	<ul style="list-style-type: none"> people with, or even assumed to have, many children or large extended families
<ul style="list-style-type: none"> Racial discrimination 	<ul style="list-style-type: none"> persons that appear to be of Aboriginal descent
<ul style="list-style-type: none"> Gender discrimination 	<ul style="list-style-type: none"> single mothers
<ul style="list-style-type: none"> Age discrimination 	<ul style="list-style-type: none"> young adults
<ul style="list-style-type: none"> Cultural discrimination 	<ul style="list-style-type: none"> Aboriginal families because of an assumption that Aboriginal people do not have adequate urban life skills to maintain the property and be good tenants

Figure 1 Types of discrimination reported by household survey respondents

7. The Combination of Issues Faced by Aboriginal Households Leaves this Community Vulnerable to Cycles of Homelessness.

In both Edmonton and Winnipeg, homeless counts and estimates indicate that many homeless people are Aboriginal. Multiple data sources consulted for this research indicate that the combination of issues faced by Aboriginal people related to housing work together to put Aboriginal individuals and families at risk for cycles of homelessness.

As the urban Aboriginal population grows, the need for affordable housing is expected to increase. Unless the education and employment challenges within the Aboriginal community are addressed, most Aboriginal households will face difficulties paying market rent.

8. Characteristics of Housing and Neighbourhoods Occupied by Aboriginal Households.

The research found a high demand for affordable housing in neighbourhoods with high proportions of Aboriginal households. These neighbourhoods possess the following characteristics:

- Old, well established neighbourhoods with aging, poorly maintained housing stock (in Winnipeg the housing stock in the older neighbourhoods tends to be very old and dilapidated);
- Primarily private market or subsidized rental units with basic appliances only;
- Inner city areas with good access to public transportation;
- Generally unsafe, with high incidences of crime (in Winnipeg, respondents noted high incidences of gang related activities and “party houses” where tenants use and sell illegal narcotics);
- Residents who come from a variety of ethnic and cultural backgrounds, with high proportions of Aboriginal and immigrant households (more household survey respondents in Edmonton than in Winnipeg reported living in mixed ethnic and cultural areas); and
- High proportions of low-and moderate-income households.

Generally, compared to subsidized housing and market renters, more homeowners reported:

- living in a very safe neighborhood and feeling very secure in their neighborhood;
- living in homes of 1,000 square feet or more of living space;
- having appliances, electrical and plumbing systems in excellent working order; and
- being very satisfied with their housing conditions.

⁵ Key Informant Interviews estimated these percentages to be much higher.

However, in both Edmonton and Winnipeg, subsidized housing renters reported living in newer housing (40 or fewer years old) than that occupied by homeowners and unsubsidized tenants.

9. Aboriginal Views and Perceptions Concerning Homeownership.

According to Statistics Canada, approximately 65 per cent of the Aboriginal households in Winnipeg and 71 per cent of the Aboriginal households in Edmonton rent their accommodations.⁵ Families and individuals rent because they cannot afford to buy a home, due to a lack of finances related to a lack of education and occupationally focused skills, low paying and insecure job opportunities, and other barriers to securing sustainable, meaningful employment.

Key informants reported that there are growing numbers of professional Aboriginal people with stable employment who have the financial means to purchase a home. Reasons stated as to why many of these households are not purchasing homes include insufficiencies of:

- savings for a down payment;
- awareness concerning homeownership;
- information concerning the process of buying a home; and
- interest in owning a home.

Aboriginal households appear to prefer to rent because it affords greater mobility and easier return to a First Nations community. As well, systems of private property ownership are not common in First Nations communities so individuals who have recently moved to the city may not be familiar with or interested in homeownership or in homeownership as a means to build equity.

The majority of household survey respondents and key informants felt that homeownership would be beneficial and desirable for urban Aboriginal households and identified a number of approaches aimed at facilitating homeownership among qualified Aboriginal households. These included down payment assistance, homeownership education, support in developing financial management skills and support throughout the home buying process. In order to be effective, strategies and programs should reflect Aboriginal housing preferences, values and traditions.

For Aboriginal households that are not yet qualified for homeownership, respondents identified a need for related programs and services to address barriers of employment, education and health related issues. Programs and services should be integrated and address various levels of barriers and needs related to housing, either in steps or simultaneously.

B. Homeownership Projects in Edmonton and Winnipeg

In Edmonton there are Aboriginal Homeownership Education Workshops that specifically target Aboriginal participants. A homeownership education program oriented towards low-to moderate-income households works together with the workshop program to provide information and support services to Aboriginal people interested in buying a home.

In Winnipeg, a number of neighbourhood revitalization initiatives include affordable housing programs. Homeownership services include rent-to-own programs, down payment assistance, and homeownership education. With the assistance of these programs, a number of Aboriginal households have become homeowners.

A number of best practices and lessons were identified by representatives of the homeownership programs. These included:

- Initiatives aimed at Aboriginal communities should be conceived, planned, and implemented by Aboriginal-led organizations;
- Guidance, education, and support for homeownership are beneficial for low-to moderate-income households;
- Successful housing models should be holistic and integrate housing needs in rural and First Nations communities with urban housing needs; and
- Housing programs should facilitate independence, confidence, and self-reliance.

The HOME Program (Edmonton)

The HOME Program in Edmonton is a self-sustaining initiative that is low cost to implement and relies on community involvement and support. Participants are not expected to pay program fees or contribute to other costs.

Some program participants became homeowners while others reported that having increased their knowledge concerning home ownership they now felt more confident in their ability to eventually purchase a home. The HOME Program has found that people are less of a financial risk when educated and supported.

The Central Edmonton Community Land Trust (CECLT) (Edmonton)

The non-profit Central Edmonton Community Land Trust (CECLT), incorporated in 1998, is based upon affordable, community housing models developed and operating in the United States.

Initially, CECLT purchased 17 properties in the inner city which were in substandard condition and required renovations before they could be occupied. Funding was provided by the City of Edmonton Low Income Capital Assistance Program, CMHC's Residential Rehabilitation Assistance Program, and a short term loan from the Inner City Housing Society. The first tenants on the rent to own program occupied the units in 2000, and none have yet transitioned to home ownership.

The Aboriginal Homeownership Workshops (Edmonton)

Development of the Aboriginal Homeownership Workshop was spearheaded by a local, Aboriginal woman. The first workshop was delivered in Edmonton in September 2003 at the Canadian Native Friendship Centre and other workshops have been held at the Northern Alberta Institute of Technology and the Bent Arrow Traditional Healing Society.

The workshops aim to provide education on the home buying and maintenance processes to Aboriginal people in the Edmonton area. Approximately 141 participants have attended and 16 individuals purchased homes. In informal follow up evaluations, all homeowners stated that they would not have bought homes if they had not taken the workshops. Others who have not yet purchased indicated they are better informed and will be looking to home ownership within the next year or two.

The program facilitator reports that the information delivered in the workshop provides participants with increased confidence to succeed as homeowners. Recognition of the program is growing and the facilitator has been invited to provide the workshop throughout the province as well as in other provinces.

Spence Neighborhood Association (SNA) (Winnipeg)

Spence Neighborhood Association's (SNA) primary objective is to activate and engage the people of Spence in building and rebuilding their neighborhood in the areas of health, safety, employment, housing, and neighborhood image. The original target audience of the program was community members in general, and the rationale was the large number of boarded-up houses creating a safety issue and aesthetic challenges to the community. Over time, the mandate changed to focus on assisting individuals with low-to moderate-incomes in need of housing.

The SNA's initial activities included the purchase and renovation of 12 low value properties in need of renovations and up-keep. These properties were then allocated to individuals and families who qualified for a rent-to-own program. The SNA has experienced challenges in maintaining their funding source to purchase and renovate such houses, given increasingly strict eligibility criteria and funding regulations for rent-to-own housing programs. In the last two years, SNA has modified its service delivery and now focuses on building new homes rather than purchasing and renovating old properties.

Within the last two years, SNA built six new houses and intends to build another eight over the next year. Of the original 12 rent-to-own properties, all units have been occupied for the last two to three years and the residents have kept their payments up to date.

The primary benefit for participants of SNA's programs is eventual home ownership. As well, a program representative identified some unanticipated benefits, including an overall improvement in the aesthetic appeal of the neighborhood, which in turn improved the standard of living and brought new people into the community. Unanticipated negative effects were identified as an increase in the value of house prices in the neighborhood causing an increase in costs associated with construction and renovations.

The North End Housing Project (NEHP) (Winnipeg)

The North End Housing Project (NEHP) originally focused on renovating old, sub-standard houses in a community in the north end of Winnipeg. Initiated in 1998 by the Community Education Development Authority (CEDA), the NEHP began with the purchase of seven properties and focused on two of the lowest income neighborhoods with sub-standard housing conditions in Winnipeg: William Whyte and Lord Selkirk Park.

The NEHP purchases derelict houses and constructs new houses in the community for either sale or rent-to-own acquisition. The construction work is undertaken by an employment creation project of the NEHP, which provides learning experiences to residents of the neighborhood who have been released from prison and are interested in the work experience. In addition, the used materials from the renovated properties are sold at a construction recycling business operated by the same community group to help generate funding for the project.

Upon completion, the renovated or newly constructed houses are made available to community residents with a household income below the Statistics Canada LICO. While a positive credit rating enhances one's program eligibility, it is not mandatory, provided that the applicant can demonstrate the ability to make payments on the house they wish to buy and have a basic commitment to enhancing the neighborhood.

Participants are also required to contribute sweat equity to the program in the form of volunteer work of approximately 15 hours per year which could be spent on board committees or other neighborhood-focused initiatives.

Potential clients are reached through distribution of brochures and posters in the relevant neighborhoods, as well as word-of-mouth.

Visible positive changes in the community, as a result of the NEHP's activities, have led to the growing involvement of community members in the health of their neighborhood. For example, a crime prevention program was originally initiated by the NEHP involving 10 ex-offenders acting to avert crime in the neighborhood. These individuals were involved with the safety of the community and were paid employees of the program. While the effects of this crime prevention strategy have not been formally measured, there has been no recidivism by the ex-offenders in the three years since implementation.

The Winnipeg Housing Rehabilitation Corporation (WHRC)

The Winnipeg Housing Rehabilitation Corporation (WHRC) is a municipal, non-profit housing corporation established by Council in 1977. Its mandate is to acquire and renovate older buildings to provide quality affordable housing on a sale, rental and/or lease-to-purchase basis to persons of low-or modest-income, primarily in Winnipeg's inner city.

WHRC has helped make over 500 housing units available through subsidizing rental payments, creating rent-to-own relationships with tenants, and renovating houses for sale. WHRC's largest initiative is rent-geared-to-income rental units.

WHRC has taken several measures to assist their clients with the responsibilities of home ownership. Guidance is provided through educational workshops which outline common issues to consider when purchasing or maintaining a house and personalized one-on-one counseling. These initiatives have helped clients gain important knowledge concerning the process of purchasing and maintaining a house.

WHRC is in the process of designing a multi-lingual video to educate potential tenants and homeowners. It is intended to inform tenants of their rights and responsibilities and to describe common issues facing potential home owners. The video is planned to supplement the educational workshops and one-on-one assistance currently offered.

These WHRC initiatives have improved a number of derelict properties and revitalized the appearance of the neighbourhood. The level of safety is thought to have improved, and other home owners have upgraded the appearance of their houses. One of the major benefits cited was the creation of units with more living space to accommodate large families.

The Payuk Inter-Tribal Co-Op (Winnipeg)

Payuk Inter-Tribal Co-Op provides a safe home environment and community atmosphere for Aboriginal residents of Winnipeg, especially women and their children. The building operated by Payuk consists of 42 units that offer subsidized housing to screened and approved co-op members. Through prohibiting alcohol and drugs in the building, many single parents have had an environment conducive to their values that also provides quality affordable housing.

According to the property manager, the goals and objectives of Payuk are being met. There are regular board meetings that address any current issues, the finances are in good shape, and the long waiting list of applicants are thought to be indications of success. The longevity of the co-op (approximately 15 years) was also noted as a positive sign of the impact of Payuk.

CONCLUSIONS

Overall, the key themes identified that pertain to housing needs now and in the future include:

- The urban Aboriginal population is younger and growing more quickly than the general Canadian population;
 - There is a growing middle class of urban Aboriginal people who could become homeowners given appropriate information and support;
- Facilitating homeownership for low-to moderate-income households requires a multi-faceted approach that includes education, counseling and support as well as financial assistance;
- Programs to address housing issues for urban Aboriginal people need to consider conditions and realities in rural First Nations' communities because the issues are interrelated, and many people move back and forth between urban centers and First Nations' communities;
 - Urban and rural Aboriginal communities need opportunities for education and employment in order to create stability in their families and communities, thereby creating favourable conditions for homeownership.

Related Publications (Free)

Homebuying Step by Step (Product Number 60946)

Guide to Co-operative Housing (World Wide Web access <http://www.cmhc.ca/en/bureho/buho/gucoho/index.cfm>)

Your Guide to Renting a Home (World Wide Web access <http://www.cmhc.ca/en/bureho/reho/index.cfm>)

2001 Census Housing Series Issue 6: Aboriginal Households (Product Number 63695)

Related Publications (Priced)

Home Care. A Guide to Repair and Maintenance (Product Number 61019)

Homeowner's Manual (Product Number 61841)

CMHC Project Manager: Marcelle Marie Gareau

Research Report: An Exploration of Housing Options for Aboriginal People in Edmonton, Alberta and Winnipeg, Manitoba.

Research Consultants: R.A. Malatest & Associates Ltd, Edmonton, Alberta. Principal Investigator: Lesley Just.

Housing Research at CMHC

Under Part IX of the *National Housing Act*, the Government of Canada provides funds to CMHC to conduct research into the social, economic and technical aspects of housing and related fields, and to undertake the publishing and distribution of the results of this research.

This fact sheet is one of a series intended to inform you of the nature and scope of CMHC's research.

To find more *Research Highlights* plus a wide variety of information products, visit our website at

www.cmhc.ca

or contact:

Canada Mortgage and Housing Corporation
700 Montreal Road
Ottawa, Ontario
K1A 0P7

Phone: 1 800 668-2642

Fax: 1 800 245-9274

©2005, Canada Mortgage and Housing Corporation
Printed in Canada
Produced by CMHC

29-09-05

OUR WEB SITE ADDRESS: www.cmhc.ca

Although this information product reflects housing experts' current knowledge, it is provided for general information purposes only. Any reliance or action taken based on the information, materials and techniques described are the responsibility of the user. Readers are advised to consult appropriate professional resources to determine what is safe and suitable in their particular case. Canada Mortgage and Housing Corporation assumes no responsibility for any consequence arising from use of the information, materials and techniques described.